

DEPARTMENT OF WORKFORCE DEVELOPMENT

Division of Economic Support Bureau of Work Support Programs

TO: Economic Support Supervisors

Economic Support Lead Workers

Training Staff

Child Care Coordinators

W-2 Agencies

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Non W-2 [] W-2 [X] CC [X]

PRIORITY: High

SUBJECT: WISCONSIN WORKS (W-2) & WISCONSIN SHARES (CHILD CARE

SUBSIDY) PROGRAM -- FEDERAL POVERTY LEVEL CHANGES

CROSS REFERENCE: Child Day Care Manual

W-2 Manual

EFFECTIVE DATE: See the following narrative.

PURPOSE

This memo:

- 1. Alerts you to the effect of changes in the 2001 Federal Poverty Level (FPL) for Wisconsin Works (W-2) cash assistance and Wisconsin Shares (the child care subsidy program).
- 2. Provides information on the impact on the child care subsidy applicants and recipients.
- 3. Includes the revised W-2 FPL table.

The new 2001 Child Care Co-Pay Schedule is available on the internet at: http://www.dwd.state.wi.us/des/childcare/forms/CC2001fpl.pdf.

For child care purposes, there is a mass change for child care eligibility and a separate mass change for current and future authorizations in the child care payment system on the weekend of April 28, 2001.

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BACKGROUND

Each year the federal government adjusts the FPLs. As a result of the annual FPL changes, income limits for W-2 cash assistance, child care eligibility and the income ranges that are used to determine the family copayment for child care authorizations change.

WISCONSIN WORKS

The effective date for the income limits for W-2 cash assistance (115% FPL) is May 1, 2001.

Group	Annual	100%	115%	Group	Annual	100%	115%
Size	FPL	FPL	FPL	Size	FPL	FPL	FPL
1	\$ 8,590	\$ 715.83	\$ 823	6	\$ 23,690	\$ 1,974.17	\$ 2,270
2	\$ 11,610	\$ 967.50	\$ 1,113	7	\$ 26,710	\$ 2,225.83	\$ 2,560
3	\$ 14,630	\$ 1,219.17	\$ 1,402	8	\$ 29,730	\$ 2,477.50	\$ 2,849
4	\$ 17,650	\$ 1,470.83	\$ 1,691	9	\$ 32,750	\$ 2,729.17	\$ 3,139
5	\$ 20,670	\$ 1,722.50	\$ 1,981	10	\$ 35,770	\$ 2,980.83	\$ 3,428
		Each added person		person	\$ 3,020	\$ 251.67	\$ 289
	+						

CHILD CARE

CHILD CARE ELIGIBILITY

For all new child care subsidy applicants, the effective date of the new income limits established in this memo is May 1, 2001. Applications entered in CARES after the April 7, 2001, mass change should use these new FPL income limits in CARES table TCCS for May 1, 2001, eligibility and later.

All ongoing child care cases, including those that are closing April 30, 2001, in the CARES system will be run in the annual mass change for eligibility on April 7, 2001. All child care cases will have their income updated to a new 2001 FPL percentage. Cases that are closing April 30, 2001, for excess income may remain eligible for child care as a result of the 2001 FPL changes.

Child care authorizations will also go through a mass change on the weekend of April 28, 2001, that will split all authorizations and recalculate the family copay using the new income ranges as displayed in table TCFP and the new copays as displayed on table TCCP.

CHILD CARE AUTHORIZATIONS

All current and future authorizations that are created in the child care payment system as of April 28, 2001, will be included in the child care authorization mass change. All authorizations with an end date after April 29 will be split with the new authorization beginning April 29 or May 13. If family income has not changed since the current authorizations were created the new, increased FPL income ranges may decrease the family copay or not change the family copay at all. However, even if the copay does not change and the provider payment does not change, the authorization will split and notices will be generated. If the mass change reduces the family copay, therefore increasing the provider payment, the begin date of the new authorizations will be April 29.

Some authorizations will begin May 13 because the provider payment will decrease as a result of the mass change. This can happen because the new authorizations will use the most current family income for May, as well as the number of children in care and the type of care chosen by

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the family to determine the family copay. Income changes in CARES that have not been reflected in current authorizations will be reflected in the new authorizations created by the mass change. So, it is possible that the copay will increase due to income changes in spite of the FPL change. When this happens the begin date of the new authorization will be May 13, 2001. Notices will be generated to reflect the decreased payment to the provider also.

Also, all authorizations that are created after April 30, 2001, with a begin date of April 29 or later will use the new income ranges to determine the family copay. However, if the begin date of authorizations created after the mass change is April 22 or earlier, the retro authorization will split. One authorization will use the 2000 FPL income ranges and copayment amounts and end April 28 and the other authorization will begin April 29 and use the 2001 FPL income ranges and copayment amounts.

FAMILY AND PROVIDER NOTICES

All child care cases will go through the eligibility mass change, but ongoing approval notices (AEAX) will not be generated for child care cases that were open in April. These notices are not generated because the eligibility status of the family has not changed.

Family authorization notices will be sent out to all families with children that have current and future authorizations because they will be included in the authorization mass change. This means that an authorization end notice and a new authorization notice will be generated for each family and mailed together on April 30.

Provider notices will be similar to the notices that were generated when the county maximum rates changed for 2001. This format lists <u>all</u> children that are authorized to that provider location. When there is no change in the provider payment rate an asterisk will appear next to the child's name. An explanation that the asterisk indicates no payment rate change will be displayed at the bottom of this notice. These notices to providers will not display on the provider's notice history (CNHS), instead they can be viewed as an EOS report. The report number for these provider notices will be identified in a DXBM closer to the date of the mass change.

CARES

The CARES income limit tables (TWWS, TCCS), used to determine W-2 and child care eligibility, will be updated with an effective date of May 1, 2001. The child care income range table (TCFP) and the child care copay table (TCCP), used to determine the family copay for child care authorizations, will also be updated with an effective date of April 29, 2001.

CONTACT

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Note: Email contacts are preferred. Thank you.